Evolution of Petroleum Development Technology on Alaska's North Slope...

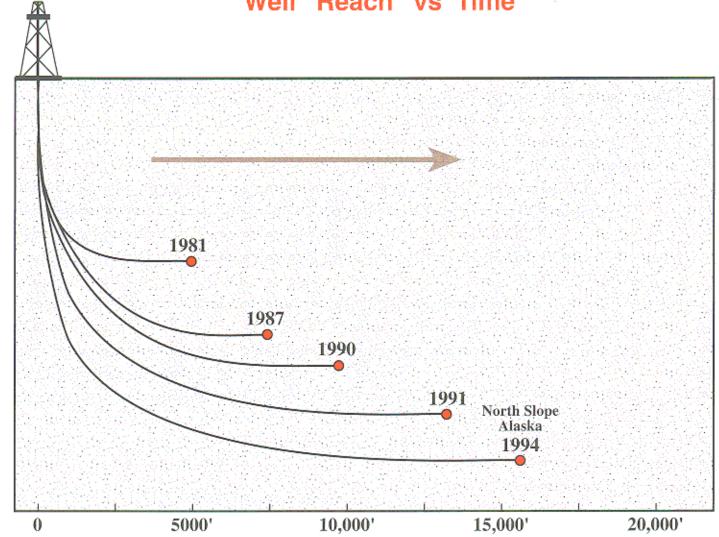
Reduced Impacts and Enhanced Environmental Protection



FOLLOWING 20 YEARS OF DEVELOPMENT EXPERIENCE ON THE NORTH SLOPE:

- SPACING BETWEEN WELLHEADS—REDUCED 91%
- SURFACE AREA OF GRAVEL DEVELOPMENT PADS— REDUCED 76%
- SURFACE AREA FOR CONTRACTOR SERVICE AREA— REDUCED 95%
- GRAVEL ROADS FOR PIPELINE CONSTRUCTION— ELIMINATED
- ICE PADS USED IN LIEU OF GRAVEL PADS FOR EXPLORATORY WELLS
- UNDERGROUND INJECTION FOR DISPOSAL OF DRILLING FLUIDS.
- DESIGN AND PERMITTING OF CENTRALIZED WASTE MANAGEMENT FACILITIES 95% RECYCLING OF ALL ASSOCIATED WASTES
- FEWER DRILL SITES NEEDED DUE TO ADVANCES IN DIRECTIONAL DRILLING
- RESERVE PITS ELIMINATED OR NEEDED ONLY ON A TEMPORARY BASIS

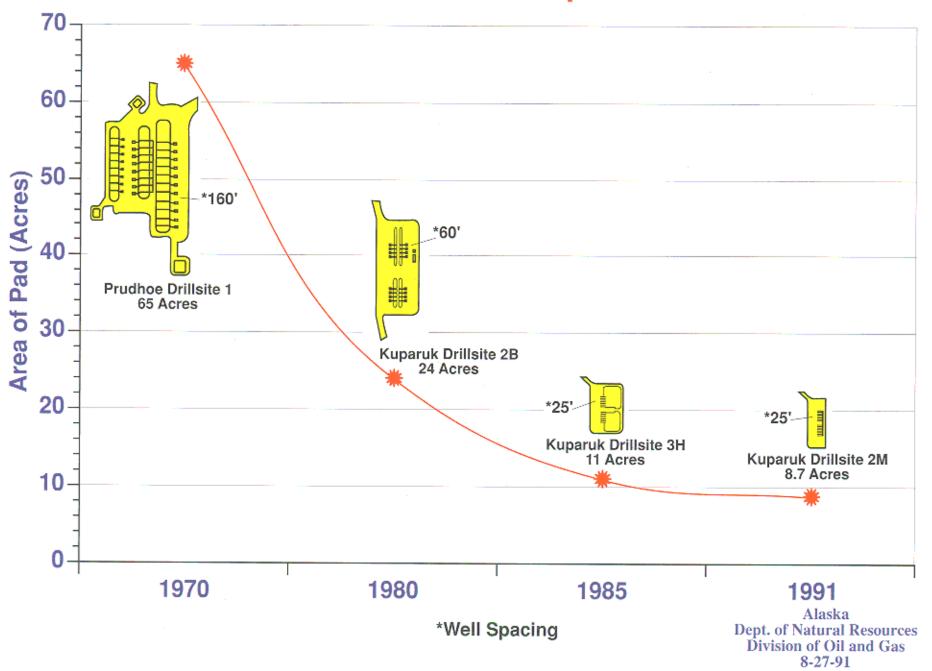
Well "Reach" vs Time

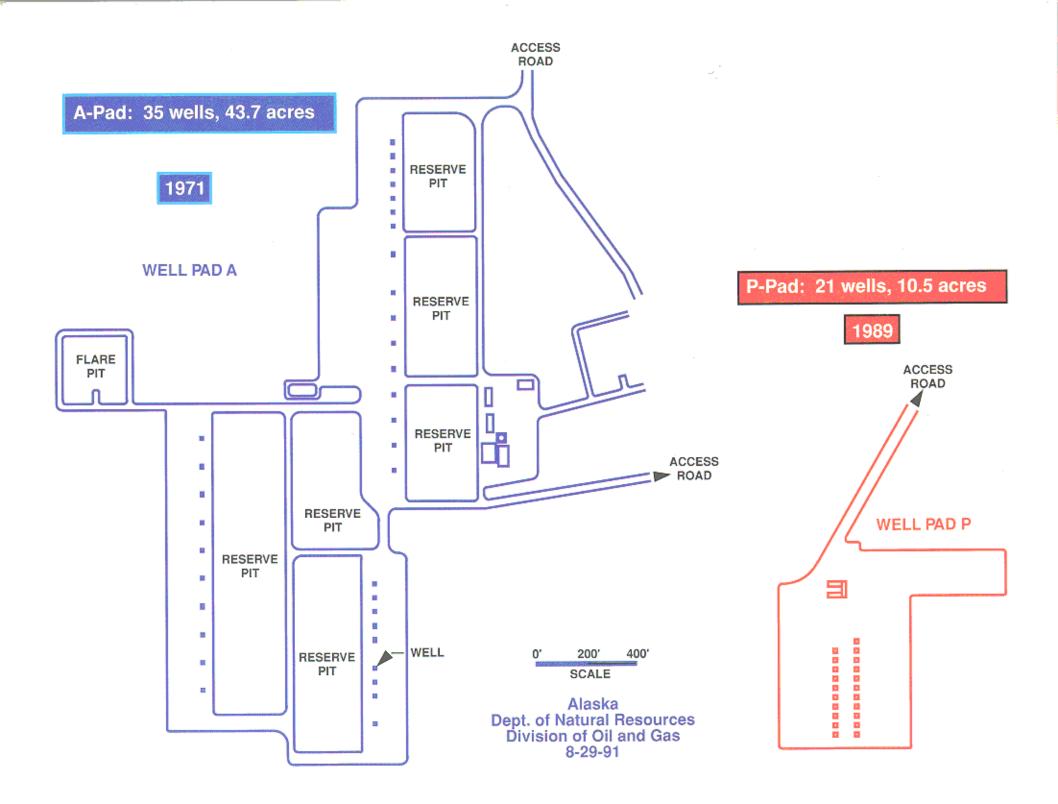


Total Horizontal Departure

Alaska Dept. of Natural Resources Division of Oil and Gas 10-07-94

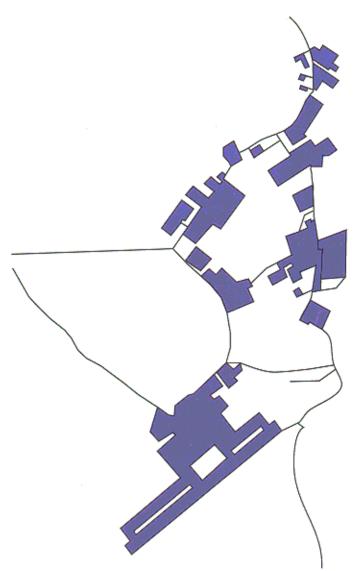
Evolving Consolidation of North Slope Production Pad Size

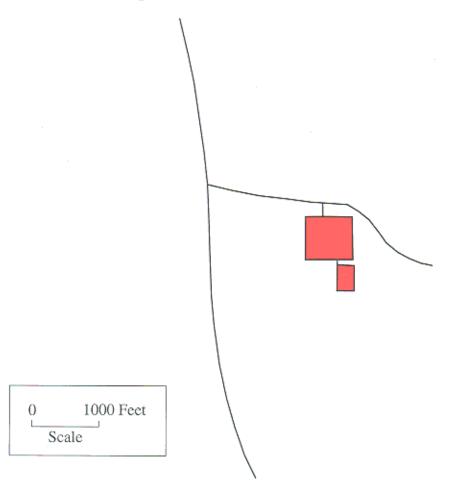




Deadhorse Service Area

Conceptual ANWR Service Center

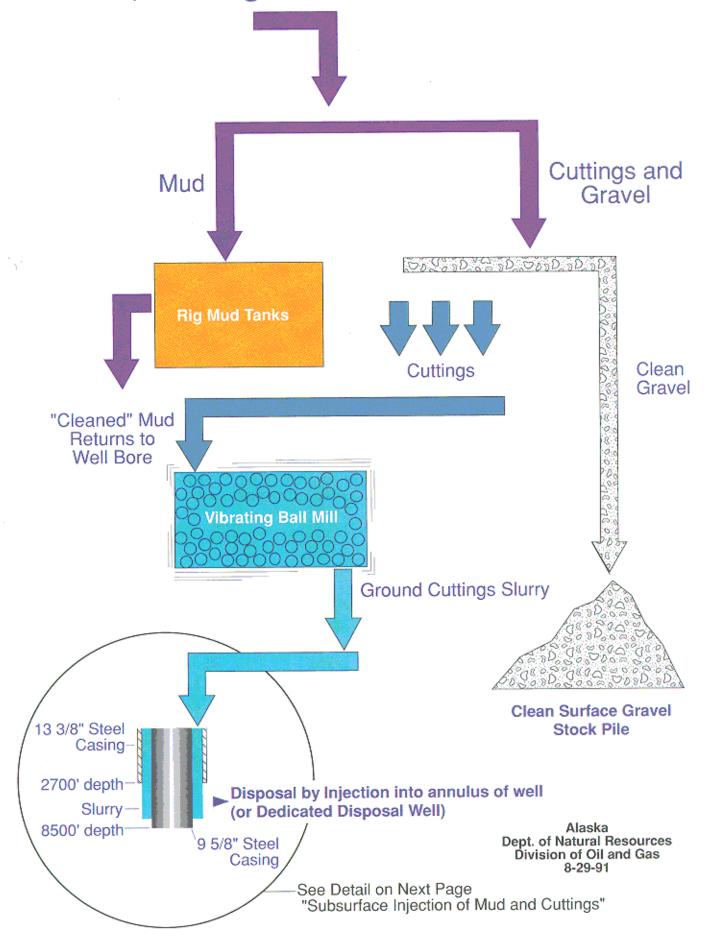




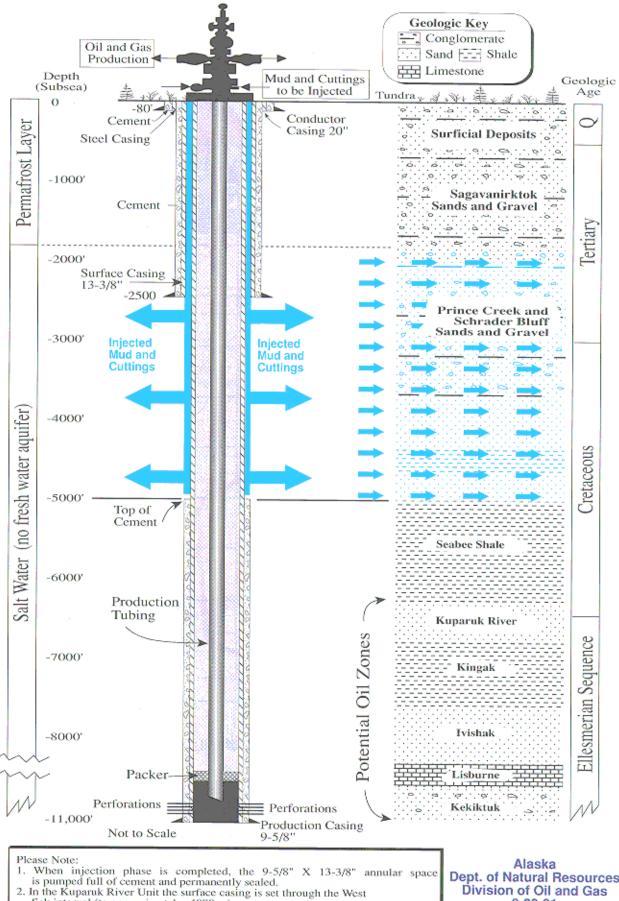
Service facilities for the Prudhoe Bay oil fields are located at Deadhorse. These buildings are situated on 1,050 acres. Satellite service facilities at ANWR could be located on only 55 acres, as was done for the Kuparuk oil field.

> Alaska Dept. of Natural Resources Division of Oil and Gas 7-5-93

Mud, Cuttings and Gravel from Well



Subsurface Injection of Mud and Cuttings

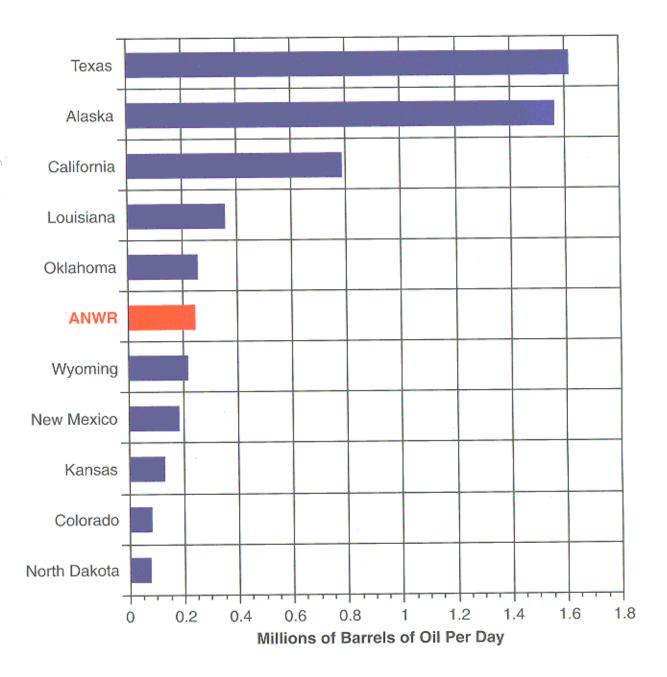


Sak interval (to approximately -4000 ss),

Dept. of Natural Resources Division of Oil and Gas

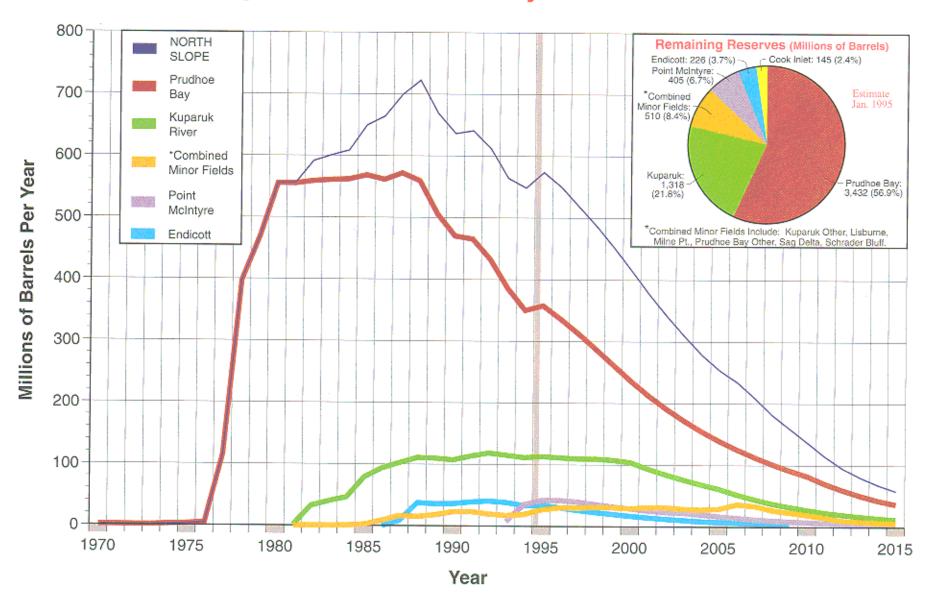
8-29-91

Production of Crude Oil by Top Ten States & ANWR



Source: Petroleum Supply Monthly, November 1994. DOE Energy Information Administration. ANWR figure assumes peak production from mean resource estimate. DOI, 1991

North Slope Historical & Projected Oil Production



Source: Alaska Dept. of Natural Resources, Div. of Oil & Gas Historical & Projected Oil & Gas Consumption, March 1995